



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

December 15, 2009

47 DECEMBER 15, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS:
HIGH DESERT HEALTH SYSTEM
MULTI-SERVICE AMBULATORY CARE CENTER PROJECT
AUTHORIZATION FOR ARCHITECTURAL AGREEMENT, APPROVAL OF
TWO OPTION AGREEMENTS FOR TRANSFER OF REAL PROPERTY, AND
ENVIRONMENTAL CONSULTANT AGREEMENT
SPECS. 6837; C.P. 77350
(FIFTH DISTRICT) (3 VOTES)**

SUBJECT

Approval of an Architect/Engineer (A/E) Agreement for the High Desert Health System Multi-Service Ambulatory Care Center (MACC) Project, approval of two Option Agreements for Transfer of Real Property by and between the Lancaster Redevelopment Agency and the County of Los Angeles (Option Agreements) with the Lancaster Redevelopment Agency (LRA) for the purpose of the new MACC, and other complementary health care related facilities. Also, approval to enter into a delegated authority agreement for environmental review services for the MACC project.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize and delegate authority to the Director of Public Works, after compliance with applicable laws governing contract solicitation and award, to award and execute an Architect/Engineer Agreement with the most qualified firm to complete scoping documents for the High Desert Health System Multi-Service Ambulatory Care Center Project (MACC), in an amount not-to-exceed fee of \$3,900,000.

"To Enrich Lives Through Effective And Caring Service"

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2. Approve and authorize the Chair to execute two Option Agreements: the first Option Agreement will provide the County with sufficient land to construct the MACC complex on a 14.91 acre parcel (identified as Parcel A in the Option Agreement) at a proposed price (for the land only) of \$894,600, and the second Option Agreement will provide other County healthcare related facilities at some future time on an adjacent 5.98 acre parcel (identified as Parcel B in the Option Agreement) for the proposed price of \$358,800 for the parcel.
3. Direct the Chief Executive Officer to coordinate the development and preparation of an Environmental Impact Report on Parcels A and B as identified in the Option Agreements.
4. Direct the Chief Executive Officer to execute a Consultant Services Agreement with BonTerra Consulting to perform all necessary environmental reviews and prepare an Environmental Impact Report for project-level analysis of the High Desert Health System Multi-Service Ambulatory Care Center, for a not-to-exceed fee of \$281,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will allow the County to secure rights to purchase approximately 21 acres from the Lancaster Redevelopment Agency (LRA) located in the immediate vicinity of 3rd Street East and Avenue I in the City of Lancaster. This site will be the location of the new High Desert Multi-Service Ambulatory Care Center (MACC). In addition, approval of the recommendations will allow the Department of Public Works (Public Works) to enter into an agreement with an Architect/Engineer (A/E) to prepare project specific/scoping documents for the MACC project, which will serve as the basis for the selection of the Design-Builder for the project, and for the selected architect to provide services during the proposal and design-build phases of the project. Finally, approval of the recommended actions will authorize preparation of an Environmental Impact Report (EIR) for the MACC project.

Option Agreements

Entering into the two Option Agreements will provide the County with the ability to secure the rights to purchase approximately 21 acres from the LRA, allowing the County to conduct the prerequisite reports and studies to satisfy conditions pertaining to the California Environmental Quality Act (CEQA) and other due diligence activities consisting of an environmental site assessment, geotechnical work, and title review.

The City and the County cooperatively selected the subject property within the City's Piute Neighborhood Revitalization Master Vision Plan for the MACC location, an area into which the City has already invested over \$20 million dollars to revitalize. It is anticipated that, if the Chief Executive Officer (CEO) elects to recommend the exercise of the option(s) to purchase, the CEO will return to your Board for approval to exercise the options upon completion of the required CEQA studies and due diligence activities, with the intent to purchase Parcel A within approximately 12 months from Board approval for the MACC site and purchase Parcel B within approximately 24 months from Board approval, which should provide adequate time to assess the need for other County healthcare related facilities.

The proposed purchase price for the land identified as Parcel A is \$894,600, and Parcel B is \$358,800, plus any other related title and escrow costs, estimated to be less than \$10,000, to consummate both transactions.

The Option Agreements provide for an appropriate phasing process which secures rights to purchase the appraised land at a fixed price for the duration of the option term. The Option Agreements are in compliance with Section 25365 of the California Government Code and have been approved as to form by County Counsel.

Architectural/Engineering (A/E) Agreement

On November 21, 2006, your Board authorized Public Works to develop a new 124,000-square-foot MACC complex at a new site in Lancaster, comprised of a 39,000-square-foot ambulatory surgery center, a 38,000-square-foot clinical services building, a central plant, and a 47,000-square-foot administrative support building. Your Board also authorized Public Works to execute an Agreement with Cannon Design for \$1,200,000 to update the facility program, prepare a master site plan for the proposed location, and prepare project definition documents as a basis for a design-build project delivery approach. Public Works has proceeded with the preparation of project documents that serve as the basis for the scoping documents. Public Works has also begun various other preconstruction activities, including topographical survey, soils testing and site-related studies to confirm the suitability of the proposed site.

Following authorization for this project, the Department of Health Services (Health Services), Public Works and Cannon Design completed a needs assessment study and a space/functional program to capture the complete scope of work required to build a MACC that meets the anticipated patient care needs in the Antelope Valley. We have now confirmed the required level of detail and criteria for the project scoping documents. The completed needs assessment study and space/functional program will be used by the County as part of the project scoping documents to be used for the Requests for Proposal (RFP) by prospective Design-Builders. In addition to these two documents, the selected A/E will review and update the needs assessment study based

on new clinical programs mandated for the facility since 2007, and complete schematic design plans and performance specifications to complete the scoping documents package for the RFP. Completing the project scoping documents based on this agreed level of detail and criteria will allow the project team to properly ensure the development of a quality work product that meets County and Health Services standards, and reduce the need for changes by the Design-Builder during the design-build phase. Additionally, to provide quality oversight of the Design-Builder, Public Works proposes that the architect attends periodic design-build meetings, reviews/approves product submittals and conducts site observations during construction.

Cannon Design was requested to provide a proposal for schematic design plans and the performance criteria, but was unable to meet the County's needs with respect to the cost and scope of their proposal. Therefore, the Architectural Evaluation Board has provided a list of architectural firms, and Public Works is beginning the process to select a new architect. To meet the aggressive schedule required to complete the project scoping documents and select the Design-Builder, we recommend that your Board authorize the Director of Public Works, after compliance with applicable laws governing contract solicitation and award, to award and execute an A/E agreement with the most qualified A/E firm to complete the scoping documents and provide design-build oversight services for the project for a not-to-exceed fee of \$3,900,000. The Project Schedule is included in Attachment A.

Environmental Agreement

Approval of the recommended actions will authorize the CEO to execute a delegated authority agreement with BonTerra Consulting for the preparation and completion of an EIR for a not-to-exceed fee of \$281,000.

ENVIRONMENTAL DOCUMENTATION

Neither the award and execution, by the Director of Public Works, of the Architect/Engineer Agreement, nor the execution of the Option Agreements, constitutes a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of a project by Section 15378(b) of the State CEQA Guidelines. The proposed action is an administrative activity of government which will not result in direct or indirect changes to the environment.

The environmental impacts of the proposed MACC Project will be reviewed as the first phase of the project through the preparation of an Environmental Impact Report (EIR). The EIR will evaluate all potential direct, indirect, and cumulative environmental impacts associated with the MACC project.

The appropriate environmental documents will be completed prior to returning to your Board for approval of any discretionary action that may impact the environment and prior to your consideration of the exercise of the options to purchase Parcel A and Parcel B.

Implementation of Strategic Plan Goals

This action meets the County Strategic Plan Goals of Operational Effectiveness (Goal 1), Children and Families' Well-Being (Goal 2), and Health and Mental Health (Goal 4) by investing in public health infrastructure and improving access to health care in the northern portion of the County. Completion of this project will provide a much needed outpatient health facility for the residents of the County of Los Angeles.

FISCAL IMPACT/FINANCING

The proposed purchase price for the land identified as Parcel A and Parcel B is \$1,253,400, plus any other related title and escrow costs estimated to be less than \$10,000, to consummate both transactions.

The estimated cost to complete the construction of the project is \$119,900,000, including design, jurisdictional review, construction, consultant services, and County services. Included in the estimate for the project, is the not-to-exceed fee of \$281,000 for completion of the EIR. Upon completion of the needs assessment update based on the additional clinic programs, completion of the project scoping documents, and confirmation of construction cost estimates, we will return to your Board for approval of a total project budget.

The property purchase and High Desert Health System MACC Project will be initially funded with commercial paper proceeds and ultimately through the issuance of Build America Bonds which are authorized under the American Reinvestment and Recovery Act.

The Build America Bonds offer Federal reimbursement of 35 percent of the interest costs on the bonds. The par amount of each bond type to be issued will be based on market conditions and discussions with the Treasurer and Tax Collector.

Funding for the recommended agreements with the selected architectural firm and BonTerra Consulting is included in the Fiscal Year 2009-10 Capital Projects/Refurbishments Budget (C.P. 77350).

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

As required by your Board, the project budget allocates one percent of the construction costs to the Civic Art Fund per your Board's Civic Art Policy, adopted on December 7, 2004, and subsequently amended on November 18, 2008.

The A/E Agreement will be in the form previously reviewed and approved as to form by County Counsel. The recommended contract will be solicited on a competitive basis and is in accordance with applicable Federal, State, and County requirements.

The proposed A/E Agreement will contain terms and conditions supporting your Board's ordinances, policies, and programs, including but not limited to: County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN/GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; and the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and the standard Board-directed clauses that provide for contract termination or renegotiation.

CONTRACTING PROCESS

The Architectural Evaluation Board has provided a list of firms qualified to propose for services associated with the requested scope of services for the project. The proposals will be evaluated by an evaluation committee consisting of representatives from the Chief Executive Office, Health Services, and Public Works.

The evaluation committee will score the proposing firms on the basis of their relative qualifications to perform the subject scope of services. The firm will be selected based on the overall quality and responsiveness of the proposal, competency, health facility design services expertise, experience, qualifications of proposed staff, and project-specific work plans. We are recommending that your Board authorize the Director of Public Works to execute an agreement to the firm that is determined to be the most highly qualified to complete the services requested for project.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these recommendations will have no impact on current services. Upon completion of the MACC, we anticipate that the existing site will be vacated by Health Services. At this time, we have not identified a specific use for the existing site. However, we will be reviewing other potential uses by other County departments in the Antelope Valley area.

CONCLUSION

Upon approval of the recommendations, please forward one adopted copy of the Board letter to Public Works and the CEO, Real Estate Division at 222 South Hill Street, 3rd Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:GF:SK
DJT:SW:zu

Attachment

- c: Executive Officer, Board of Supervisors
- Acting County Counsel
- Department of Health Services
- Department of Public Social Services (GAIN/GROW Program)
- Department of Public Works

ENCLOSURE A

**DEPARTMENT OF PUBLIC WORKS:
HIGH DESERT HEALTH SYSTEM
MULTI-SERVICE AMBULATORY CARE CENTER PROJECT
APPROVE SUPPLEMENTAL AGREEMENT
SPECS. 6837; C.P. 77350
(FIFTH DISTRICT) (3 VOTES)**

I. PROJECT SCHEDULE

Project Activity	Approved Completion Dates	Revised Completion Dates
Project Scoping Documents	04/2008	09/2010
Award Design-Build Contract	05/2009	03/2011
Design	05/2010	By Design-Builder
Jurisdictional Approval	07/2010	By Design-Builder
Construction Substantial Completion	09/2011	10/2013
Acceptance of Project	12/2011	12/2013

**OPTION AGREEMENT FOR TRANSFER OF REAL PROPERTY BY AND BETWEEN
LANCASTER REDEVELOPMENT AGENCY AND THE COUNTY OF LOS ANGELES
(PARCEL A)**

THIS OPTION AND SALE AGREEMENT (this "Agreement") is entered into as of DECEMBER 15, 2009 the ("Date of this Agreement"), by and between the **LANCASTER REDEVELOPMENT AGENCY**, a public body, corporate and politic (the "Agency" or "Seller"), and **COUNTY OF LOS ANGELES**, a body corporate and politic (the "County" or "Buyer"), for acquisition by County of certain real property described below.

RECITALS

A. The Redevelopment Plan for the Redevelopment Project No. 7 (the "Redevelopment Plan") was approved and adopted by the City Council of the City of Lancaster on November 28, 1992, by Ordinance No. 624, as amended on December 5, 1994, by Ordinance No. 675, November 19, 1999 by Ordinance No. 773, and July 13, 2004 by Ordinance No. 834.

B. The Agency is authorized and empowered under the Community Redevelopment Law, to enter into agreements to assist in the redevelopment of real property within a redevelopment project area in conformity with a redevelopment plan adopted for such area; to receive consideration for the provision by the Agency of redevelopment assistance; to make and execute contracts and other instruments necessary or convenient to the exercise of its powers; and to incur indebtedness to finance or refinance redevelopment projects.

C. Agency owns certain real Property in the project area described in the Redevelopment Plan (the "Project Area") which consists of approximately 14.91 acres of land located in the City of Lancaster, County of Los Angeles, State of California as more particularly described in Exhibit A, attached hereto and incorporated herein by this reference (the "Property").

D. The Agency desires to enter into this Agreement because, pursuant to the Community Redevelopment Law and the Redevelopment Plan, such actions will help to eliminate blight in the Redevelopment Project, increase the employment opportunities within the Redevelopment Project, generate additional property taxes through the development of adjacent properties with which the community can assist in providing an environment for the social, economic and psychological growth and well-being of the citizens of the City of Lancaster (the "City").

E. The Agency finds this Agreement and the fulfillment thereof are in the vital and best interests of the City and the health, safety, and welfare of its residents and are in accord with the provisions of the Redevelopment Plan and all applicable federal, state and local law.

F. County desires to acquire the Property for the purpose of constructing thereon a multi-ambulatory care center ("MACC") and other related facilities. The Agency is willing to grant the County an option to acquire the Property in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged and the covenants and agreements herein contained, the Agency and County hereby agree as follows:

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1. Option Agreement.

1.1 Option. This Agreement shall constitute an option granting the County the exclusive right to acquire the Property, subject to the terms and conditions contained herein, for the period set forth herein (the "Option").

1.2 Option Term. This Option shall be exercisable by the County during a term commencing from the date of the execution of this Agreement, and terminating at 5:00 p.m. on October 31, 2010__ (the "Option Term"). The Option Term shall be extended an additional three months if, for any reason, the Agency is unable to comply with Section 1.3, below, during the Option Term.

1.3 No Further Encumbrance of Property. The Agency hereby agrees that it shall not encumber the Property with any leasehold interest, tenancy or occupancy, and further agrees not to amend, extend, renew, or permit the holdover of any existing leasehold interests, tenancies or occupancies of the Property or to cause, or acquiesce to, any further liens or encumbrances or otherwise alter the condition of title, during the Option Term. As of the date of execution of this Agreement, the Agency shall ensure that the Property is unencumbered by any leasehold interest, tenancy or occupancy, and shall maintain the Property in that condition to and until the end of the Option Term or any extension thereof or the Closing, as set forth in Section 7.4, below, whichever occurs first.

1.4 Right of Entry. Agency hereby also grants to the County, its agents and employees the right to enter upon the Property during the Option Term for the purpose of conducting engineering surveys, soil tests, entitlement processes and any studies/reports to determine the Property's suitability for the intended or contemplated use by County and for any other reasonable purpose.

1.5 Exercise of Option. Upon County's election to exercise the exclusive Option to acquire said Property, the parties hereto, pursuant to Government Code and other applicable law, will effectuate the acquisition of the Property in accordance with the terms and conditions of this Agreement.

1.6 Contingencies. County's exercise of its Option is subject to the following conditions:

(a) County shall have approved the condition of title to the Property and Title Company shall have committed to deliver to County a title insurance policy as required by Section 4 hereof.

(b) The County shall not have terminated this Agreement.

1.7 Manner of Exercise of Option. Provided County is not in default hereunder and the conditions set forth in Section 1.6 of this Agreement have been satisfied, County may exercise its Option to acquire the Property by delivering written notice (pursuant to Section 19) to Agency prior to the expiration of the Option Term.

1.8 Voluntary Termination. County may terminate this Agreement, by written notice to Agency, prior to the expiration of the Option Term if it determines, in its sole discretion, that the Property is not suitable for the County's intended or contemplated use. Upon such notice, the Option shall terminate and all rights of County in said Property shall then and there cease.

2. Purchase Price. Upon exercise of the Option, the total purchase price for the Property shall be the sum of Eight Hundred Ninety Four Thousand, Six Hundred Dollars (\$894,600) (the "Purchase Price"). The Purchase Price shall be payable upon satisfaction of the applicable Conditions Precedent, as defined in Section 8, through the deposit into an escrow account ("Escrow") of the entire Purchase Price, in cash, cashier's check, wire transfer of funds or any other form of immediately available funds.

3. Conveyance of Title. Agency agrees to convey by grant deed to County marketable fee simple title to the Property, free and clear of all recorded and unrecorded liens, encumbrances, assessments, easements, leases, and taxes except such matters which are reasonably acceptable to the County, following County's review of the preliminary title report as provided in Section 4 and satisfaction of the Conditions Precedent with respect to the Property.

4. Title Insurance Policy. Within thirty (30) days after the Date of this Agreement, County shall cause Fidelity National Title, or a title company mutually agreeable to both parties (the "Title Company"), to deliver to County a standard C.L.T.A. preliminary title report (the "Report") with respect to the title of the Property, together with legible copies of the exceptions ("Exceptions") set forth in the Report. County shall have 30 days from its receipt of the Report within which to give written notice to Agency of County's approval or disapproval of any such Exceptions. County's failure to give written disapproval of the Report within such time limit shall be deemed approval of the Report. If County notifies Agency of its disapproval of any Exceptions in the Report, Agency shall have the right, but not the obligation, to remove any disapproved Exceptions within 30 days after receiving written notice of County's disapproval or provide assurances to County that such Exception(s) will be removed on or before the close of Escrow. If Agency cannot or does not elect to remove any of the disapproved Exceptions within that period, County shall have 30 days after the expiration of such 30-day period to either give the Agency written notice that County elects to proceed with the purchase of the Property subject to the disapproved Exceptions or to give the Agency written notice that the County elects to terminate this Agreement. The County shall have the right to approve or disapprove any Exceptions reported by the Title Company after County has approved the condition of title for the Property. Agency shall not voluntarily create any new exceptions to title following the date of this Agreement and shall not encumber the Property with any leasehold interest, tenancy or occupancy. The Agency shall cause the conveyance of good and marketable fee absolute title to the Property to the County, as evidenced by a C.L.T.A. Standard Coverage (or extended A.L.T.A. Coverage, at the request of the County) Form Policy of Title Insurance issued by Fidelity Title Company in an amount equal to the Purchase Price, together with any endorsements reasonably requested by the County (the "Title Policy"), showing fee simple title to the Property vested in County, subject only to the exceptions set forth in Section 3 and the printed exceptions and stipulations in the policy. The Agency shall pay the portion of the premium for the Title Policy equal to the cost of the C.L.T.A. title policy in the amount of the Purchase Price, and the County shall pay for any additional cost of the Title Policy and all endorsements requested by County.

5. Escrow. Agency and County have opened or shall open within five (5) days of the exercise of the Option pursuant to Section 1.5 hereof an escrow (the "Escrow") in accordance with this Agreement with the escrow agent (the "Escrow Agent"). This Agreement, together with the escrow instructions prepared by Escrow Agent and executed by Agency and County, constitutes the joint escrow instructions of Agency and County, and Escrow Agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts necessary to close this Escrow with respect to the Property within 30 days after the satisfaction of the Conditions Precedent with respect to the Property (the "Closing Date"); provided, the Closing Date shall occur on or prior to November 30, 2010 (the "Outside Date").

5.1 Grant Deed. Not less than four business days prior to the scheduled Close of Escrow, the Agency shall execute and deliver a Grant Deed (the "Grant Deed") to Escrow Agent, in the form which is attached hereto as Attachment No. 2 and incorporated herein by this reference, and the County shall deposit an executed Certificate of Acceptance (the "Certificate of Acceptance") with the Escrow Agent, in the form which is attached hereto as Attachment No. 3 and incorporated herein by this reference. County agrees to deposit the Purchase Price upon demand of Escrow Agent. Agency and County agree to deposit with Escrow Agent any additional instruments as may be reasonably necessary to complete this transaction.

5.2 Insurance. Insurance policies for fire or casualty are not to be transferred, and Agency will cancel its own policies, if any, after the Closing Date.

5.3 Escrow Account. All funds received by the Escrow Agent shall be deposited with other escrow funds in a general escrow account(s) and may be transferred to any other escrow trust account in any state or national bank doing business in the State of California. All disbursements shall be made by check from such account.

6. Tax Adjustment Procedure. Escrow Agent shall pay and charge Agency for any unpaid delinquent property taxes and/or penalties and interest thereon, and for any delinquent assessments or bonds against the Property. Escrow shall prorate Agency's taxes (if any) for the current fiscal year.

7. Escrow Agent Authorization. Escrow Agent is authorized to, and shall:

7.1 Agency. Pay and charge Agency for one half (1/2) of all Escrow fees, charges, and costs payable under Section 5 of this Agreement, as well as the Agency's portion of the costs and charges payable under Sections 3 and/or 4 of this Agreement.

7.2 County. Pay and charge County for one half (1/2) of all Escrow fees, charges, and costs payable under Section 5 of this Agreement, as well as the County's portion of the costs and charges payable under Sections 3 and/or 4 of this Agreement.

7.3 Disbursement. Disburse funds, record the Grant Deed and Certificate of Acceptance, and deliver the title policy and the Non-Foreign Transfer or Declaration to County, when conditions of the Escrow have been fulfilled by Agency and County.

7.4 Close of Escrow. The term "close of Escrow," if and where written in this Agreement, shall mean the date the Grant Deed and other necessary instruments of conveyance with respect to the Property are recorded in the office of the Los Angeles County Recorder. Recordation

of instruments delivered through the Escrow is authorized, if necessary or proper in the issuance of the policy of title insurance pursuant to Section 4 hereof.

7.5 Time Limits. All time limits within which any matter specified is to be performed may be extended by mutual written agreement of the parties. Any amendment of, or supplement to, any Escrow instructions must be in writing.

7.6 Time of the Essence. TIME IS OF THE ESSENCE IN THESE INSTRUCTIONS AND ESCROW IS TO CLOSE ON OR BEFORE THE CLOSING DATE. If (except for deposit of money by County, which shall be made by County upon demand of Escrow Agent before close of Escrow) this Escrow is not in condition to close on or before the Closing Date, any party who then shall have fully complied, in all material respects, with its instructions, may, in writing, demand the return of its money or property; but if neither party has complied in all material respects with its instructions, no demand for return shall be recognized until five (5) days after Escrow Agent shall have mailed copies of demand to all other parties at the respective addresses shown in these Escrow instructions, and if any objections are raised within such five (5) day period, Escrow Agent is authorized to hold all papers and documents until instructed by a court of competent jurisdiction or mutual instructions from the parties. If no demands are made, Escrow Agent shall proceed with closing of this Escrow on or before the Closing Date.

7.7 Escrow Agent Responsibility. The responsibility of the Escrow Agent under this Agreement is expressly limited to Sections 1, 2, 3, 4, 5, 6, 7, 8, 11 and 12 of this Agreement and to its liability under any policy of title insurance issued in regard to the Escrow.

7.8 Escrow Fees, Charges and Costs. Unless otherwise provided in this Agreement, the parties agree to divide equally and to pay equal portions of all usual fees, charges, and costs which are attributable to the Escrow and all charges and costs incurred under Sections 3 and/or 4, as well as Section 5 of this Agreement.

7.9 FIRPTA. If the provisions of the Foreign Investment in Real Property Transfer Act ("FIRPTA") or similar state act apply to the transaction memorialized in this Agreement, and unless Seller is not a "foreign person" or an exemption applies, the Escrow Agent shall deduct and withhold from Seller's proceeds 10% of the gross sales price and shall otherwise comply with all applicable provisions of FIRPTA and any similar state act. Seller and County agree to execute and deliver as directed by Escrow Agent any instrument, affidavit, and statement, and to perform any act reasonably necessary to comply with the provisions of FIRPTA and any similar state act and regulation promulgated thereunder.

7.10 Tax Requirements. Escrow Agent shall prepare and file with all appropriate governmental or taxing authorities a uniform settlement statement, closing statement, tax withholding forms including an IRS 1099-S form, and be responsible for withholding taxes, if any such forms are provided for or required by law.

8. Conditions Precedent to Close of Escrow.

8.1 County's Conditions Precedent to Closing for the Property. The obligation of the County to complete the purchase of the Property is subject to the satisfaction of the following conditions (collectively, the "County's Conditions"):

(a) Agency shall deliver through Escrow an executed and recordable Grant Deed sufficient to convey fee title to the Property to the County as set forth in Section 5.1.

(b) Agency shall deliver through Escrow such documents as are necessary to comply with Agency's obligations under this Agreement.

(c) Agency shall not be in default of any of its obligations under the terms of this Agreement, and all representations of Seller herein shall be true and correct.

(d) Agency shall have deposited into Escrow its share of the costs described herein.

(e) The Board of Supervisors adopting a Notice of Intention to Purchase the Property.

(f) The Board of Supervisors approving the purchase of the Property.

(g) County shall have completed its environmental reviews of the project in accordance with the California Environmental Quality Act and no challenges thereto shall have been filed within the applicable statute of limitations.

(h) The environmental and soils condition of the Property shall be reasonably satisfactory to the County and in the condition required by this Agreement.

8.2 Agency's Conditions Precedent to Closing for the Property. The obligation of Agency to complete the sale of the Property is subject to the satisfaction of the following conditions (collectively, the "Agency's Conditions"):

(a) The County shall not be in default of any of its obligations under the terms of this Agreement, and all representations of County herein shall be true and correct.

(b) The County shall have deposited with Escrow Agent immediately available funds in an amount equal to the Purchase Price and County's share of costs described herein.

(c) The County shall have deposited with Escrow Agent an executed Certificate of Acceptance as set forth in Section 5.1.

(d) The Agency shall not have terminated this Agreement.

9. Hazardous Substances. Agency represents and warrants to County that it has no knowledge of any substance, chemical or waste on or affecting the Property that is identified as hazardous, toxic or dangerous under any applicable federal, state or local law or regulation (collectively, "Hazardous Substance"). If, at any time prior to the Close of Escrow, a Hazardous Substance is discovered on the Property, Agency shall immediately remove, clean-up and remediate the Hazardous Substance or, at County's option, terminate this Agreement, as set forth in Section 20. Agency further agrees that it will not introduce or use any Hazardous Substance on the Property in violation of any applicable law, until such time as the Property is conveyed to County.

10. Closing Statement. Agency instructs Escrow Agent to release a copy of Agency's closing statement with respect to the Closing to County. County instructs Escrow Agent to release a copy of County's closing statement with respect to the Closing to Agency.

11. Loss or Damage to Property. Loss or damage to any portion of the Property by fire or other casualty, occurring prior to the recordation of the Grant Deed, shall be at the risk of Agency. In the event that loss or damage to any portion of the Property, by fire or other casualty, occurs prior to the recordation of the Grant Deed, County may elect (a) to require that the Agency pay to County the proceeds of any insurance policy or policies which may become payable to Agency by reason thereof, (b) to permit such proceeds to be used for the restoration of the damage done, (c) to reduce the Purchase Price by an amount equal to the diminution in value of the respective Property by reason of such loss or damage or the amount of insurance payable to Agency, whichever is greater or (d) to terminate this Agreement.

12. Nondiscrimination Covenants. The County covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall the County or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. The foregoing covenants shall run with the land.

The County shall refrain from restricting the rental, sale or lease of the Property on any of the bases listed above in this Section 13. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(a) **In deeds:** "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

(b) **In leases:** "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in

the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

(c) **In contracts:** "There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

13. Warranties, Representatives, Covenants of Seller. Agency hereby warrants, represents, and/or covenants to County that:

13.1 Pending Claims. To the best of Agency's knowledge, there are no actions, suits, claims, legal proceedings, or any other proceedings affecting the Property or any portion thereof, at law, or in equity before any court or governmental agency, domestic or foreign.

13.2 Agency's Title. Until the close of Escrow, Agency shall not do anything which would impair Agency's title to the Property.

13.3 Seller's Disclosure of Property Condition. In entering into this agreement, Agency warrants and represents that it has made full disclosure to County of all known conditions and aspects of the Property which materially affects the value or use thereof in an adverse manner. This statement is not a warranty of any kind by Seller as to the condition of the Property and is not a substitute for any inspections or testing the Buyer may wish to obtain.

13.4 Bankruptcy. Neither Agency nor any related entity is the subject of a bankruptcy proceeding, and permission of a bankruptcy court is not necessary for Agency to be able to transfer the Property as provided herein.

14. Buyer Obligations With Respect to the Property. (a) The County agrees to construct and operate on the Property the MACC in a manner consistent with City ordinances and regulations applicable to similar types of developments. The County agrees to cooperate with the City in connection with the design, construction and operation of the MACC so as to avoid to the extent reasonably possible, conflicts with uses in surrounding neighborhoods.

(b) To the extent that the County does not use the entire Property for the purpose of the MACC, the unused portions shall be reconveyed to the Agency for a pro-rata portion of the Purchase Price.

(c) The County agrees that in the event the MACC ceases to operate and the County determines to sell all or any part of the Property to a third party, the Agency shall have

the right of first refusal to purchase the improved Property for an amount equal to the then fair market value of the improved Property, so long as the Agency acquires title to the improved Property within 12 months of the County's offer to sell.

(d) The County agrees to provide the Agency not later than 180 days following the completion of construction and occupancy of the MACC on the Property with notice of the intended use or uses of its facility located at 44900 N. 60th Street West to another use consistent with City's zoning ordinance and general plan.

15. Indemnification.

15.1 County and County's Special Districts shall defend, indemnify, and hold Agency free and harmless from and against any and all liabilities, damages, claims, costs and expenses (including without limitation, attorneys' fees, legal expenses and consultants' fees) arising from the negligence or willful misconduct of the County or its officers, employees or agents relating to the performance of its obligations under the terms of this Agreement.

15.2 The Agency shall defend, indemnify, and hold County and County's Special Districts, elected and appointed officers, agents and employees free and harmless from and against any and all liabilities, damages, claims, costs and expenses (including without limitation, attorneys' fees, legal expenses and consultants' fees) arising from the negligence or willful misconduct of the Agency or its officers, employees or agents relating to the performance of its obligations under the terms of this Agreement.

15.3 The indemnity provided each party by this section shall survive the Closing.

16. Full and Complete Settlement for Fee Interest. The total compensation to be paid by County to Agency is in consideration for all of Agency's interests in the Property and any rights or obligations which exist or may arise out of the acquisition of the Property for public purposes, including without limitation, Agency's fee interests in the land and any improvements and fixtures and equipment located thereon, improvements pertaining to the realty (if any), costs, interest, attorney's fees, and any claim whatsoever of Agency which might arise out of or relate in any respect to the acquisition of the Property by the County.

Upon the Close of Escrow, each party mutually and fully releases and discharges the other party from all and any manner of rights, demands, liabilities, obligations, claims, or cause of actions, in law or equity, of whatever kind or nature, whether known or unknown, whether now existing or hereinafter arising, which arise from or relate in any manner to the sale of the Property, except as otherwise expressly set forth herein, including in Section 10 regarding the existence of Hazardous Substances on the Property.

It is hereby intended that the mutual release contained above relates to both known and unknown claims that the parties may have, or claim to have, against the other with respect to the subject matter contained herein or the events relating thereto. By releasing and forever discharging claims both known and unknown which are related to or which arise under or in connection with, the items set out above, the parties expressly waive any rights under California Civil Code Section 1542, which provides:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.”

17. Broker's Commission. Agency and County each warrants and represents that it has not engaged the services of any agent, finder or broker in connection with the transaction which is the subject of this Agreement, and that it is not liable for any real estate commissions, broker's fees or finder's fees which may accrue by means of the sale of the Property. Agency and Seller agree to and do hereby indemnify and hold the other harmless from and against any and all costs, liabilities, losses, damages, claims, causes of action or proceedings which may result from any broker, agent or finder, licensed or otherwise, which it has employed in connection with the transaction covered by this Agreement.

18. Waiver, Consent and Remedies. Each provision of this Agreement to be performed by Agency and County shall be deemed both a covenant and a condition and shall be a material consideration for Agency's and County's performance hereunder, as appropriate, and any breach thereof by County or Agency shall be deemed a material default hereunder. Either party may specifically and expressly waive in writing any portion of this Agreement or any breach thereof, but no such waiver shall constitute a further or continuing waiver of a preceding or succeeding breach of the same or any other provision. A waiving party may at any time thereafter require further compliance by the other party with any breach or provision so waived. The consent by one party to any act by the other for which such consent was required shall not be deemed to imply consent or waiver of the necessity of obtaining such consent for the same or any similar acts in the future. No waiver or consent shall be implied from silence or any failure of a party to act, except as otherwise specified in this Agreement. All rights, remedies, undertakings, obligations, options, covenants, conditions and agreements contained in this Agreement shall be cumulative and no one of them shall be exclusive of any other. Except as otherwise specified herein, either party hereto may pursue any one or more of its rights, options or remedies hereunder or may seek damages or specific performance in the event of the other party's breach hereunder, or may pursue any other remedy at law or equity, whether or not stated in this Agreement.

19. Notices. Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered in person to an officer or duly authorized representative of the other party, or deposited in the United States mail, duly certified or registered (return receipt requested), postage prepaid, or delivered through another reasonably acceptable method, and addressed to the party for whom intended, as follows:

If to Agency: Lancaster Redevelopment Agency
44933 North Fern Avenue
Lancaster, California 93534
Attention: Executive Director

With a copy to: Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attention: David R. McEwen, Esq.

If to County: County of Los Angeles, Chief Executive Office
Real Estate Division, Property Management Section
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Chris Montana

With a copy to: County of Los Angeles, Chief Executive Office
500 W. Temple Street, Room 754
Los Angeles, California 90012
Attention: Jan Takata

County of Los Angeles, Office of County Counsel
Room 652 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012
Attention: Amy Caves, Esq.

Any party may from time to time, by written notice to the other, designate a different address which shall be substituted for that specified above. If any notice or other document is sent by mail as aforesaid, the same shall be deemed fully delivered and received forty-eight (48) hours after mailing as provided above.

20. Default. Failure or delay by either party to perform any covenant, condition or provision of this Agreement within the time provided herein constitutes default under this Agreement. The injured party shall give written notice of default to the party in default, specifying the default complained of. The defaulting party shall immediately commence to cure such default and shall diligently complete such cure within thirty (30) days from the date of the notice or such longer period if the nature of the default is such that more than thirty (30) days is required to cure such default. The injured party shall have the right to terminate this Agreement by written notice to the other party in the event of a default which is not cured within the time set forth herein.

21. Interpretation. In this Agreement (unless the context requires otherwise), the masculine, feminine and neuter genders and the singular and the plural shall be deemed to include one another, as appropriate. Unless the context of this Agreement clearly requires otherwise, the words "includes" and "including" are not limiting.

22. Entire Agreement. This Agreement and its attachments constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations,

negotiations and understanding of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

23. Captions. The captions used herein are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions hereof.

24. Governing Law. This Agreement and the attachments included hereto have been negotiated and executed in the State of California and the validity and interpretation of this Agreement, including the performance of the Parties hereunder, shall be governed by and construed under the internal laws of the State of California.

25. Invalidity of Provision. If any provision of this Agreement as applied to any party or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.

26. Amendments. No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing by Agency and County.

27. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

28. Time of Essence. Time is of the essence of each provision of this Agreement

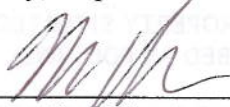
29. Binding Upon Successors. The terms and conditions, covenants, and agreements set forth herein shall apply to and bind the heirs, executors, administrators, assigns and successors of the parties hereof. Whenever the term "Agency" or "County" is used in this Agreement, such term shall include any other permitted successors and assigns as herein provided.

30. Assignment. This Agreement may not be assigned without the prior written consent of the other party hereto, which consent shall not unreasonably be withheld.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year set forth herein above.

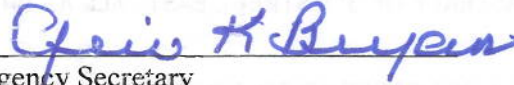
SELLER:

LANCASTER REDEVELOPMENT AGENCY, a public body, corporate and politic

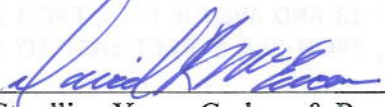
By: 
Executive Director

EB

ATTEST:


Agency Secretary

APPROVED AS TO FORM:


Stradling Yocca Carlson & Rauth,
Agency Special Counsel

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#47

DEC 15 2009

77211



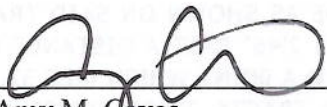
Dated: 12/15, 2009

ATTEST: SACHIA A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

By:  Deputy

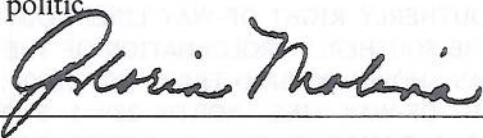
APPROVED AS TO FORM:

ROBERT E. KALUNIAN
ACTING COUNTY COUNSEL

By: 
Amy M. Caves
Senior Deputy County Counsel

BUYER:


COUNTY OF LOS ANGELES, a body corporate and politic

By: 
Name: GLORIA MOLINA

CHAIR, BOARD OF SUPERVISORS

I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

SACHIA A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: 
Deputy

ATTACHMENT NO. 1

LEGAL DESCRIPTION

PARCEL 'A'

THE FOLLOWING DESCRIBED PROPERTY SITUATED IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS;

LOTS 96 THRU 99 INCLUSIVE OF TRACT NO. 22808, PER MAP RECORDED IN BOOK 60 1 PAGES 74 TO 78 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND THAT PORTION OF 3RD STREET EAST LYING SOUTHERLY OF AVENUE H- 14, AND THAT CERTAIN ALLEY LYING EASTERLY OF 3RD STREET EAST, AND THAT PORTION OF AVENUE H- 1 4 LYING EASTERLY OF 3RD STREET EAST, ALL AS SHOWN ON SAID TRACT NO. 22808, ALONG WITH

LOT 6 OF TRACT NO. 061 166 PER MAP RECORDED IN BOOK 1 309 PAGES 17 TO 1 9, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ALONG WITH

LOTS 5 1 THRU 66 INCLUSIVE, AND A PORTION OF LOT 1 1 1, ALL AS SHOWN UPON TRACT NO. 22809 PER MAP RECORDED IN BOOK 602 PAGES 5 1 TO 58, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND THAT CERTAIN ALLEY LOCATED BETWEEN AVENUE H- 13 AND AVENUE H-14, FROM 3RD STREET EAST TO 4TH STREET EAST, AND THAT PORTION OF AVENUE H-14, FROM 3RD STREET EAST TO 4TH STREET EAST, ALL AS SHOWN ON SAID TRACT NO. 22809.

THE EXTERIOR BOUNDARY OF WHICH IS DESCRIBED AS FOLLOWS;

BEGINNING AT A POINT LYING ON THE NORTHERLY RIGHT-OF-WAY LINE OF AVENUE I, 50.00 FOOT WIDE HALF STREET AS SHOWN ON SAID TRACT NO. 22809, SAID POINT DISTANT THEREON 27.00 FEET WESTERLY FROM THE SOUTHEAST CORNER OF SAID LOT 1 1 1; THENCE, PARALLEL TO THE EASTERLY LINE OF SAID LOT 1 1 1, NORTH 00° 1 4'20" EAST A DISTANCE OF 620.77 FEET; THENCE, CONTINUING PARALLEL TO SAID EASTERLY LINE, NORTH 23° 1 5'40" WEST A DISTANCE OF 50.7 1 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF AVENUE H-14, 60 FEET WIDE AS SHOWN ON SAID TRACT NO. 22809; THENCE, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, SOUTH 66°44'20" WEST A DISTANCE OF 27.00 FEET TO A POINT ALONG THE SOUTHERLY PROLONGATION OF THE WESTERLY RIGHT-OF-WAY LINE OF 4TH STREET EAST, 54 FEET WIDE AS SHOWN ON SAID TRACT NO. 22809; THENCE, ALONG SAID PROLONGATED LINE AND SAID WESTERLY RIGHT-OF-WAY LINE, NORTH 23° 1 5'40" WEST A DISTANCE OF 266.00 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVED SOUTHERLY AND HAVING A RADIUS OF 1 5.00 FEET; THENCE, WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC DISTANCE OF 23.56 FEET TO A POINT OF TANGENCY ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF AVENUE H- 1 3, 60 FEET WIDE AS SHOWN ON SAID TRACT NO. 22809; THENCE, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, SOUTH 66°44'20" WEST A DISTANCE OF 2 1 3.0 1 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVED NORTHERLY AND HAVING A RADIUS OF 640.4 1 FEET; THENCE, ALONG SAID CURVE AND RIGHT-OF-WAY LINE, THROUGH A CENTRAL ANGLE OF 23°02'54" AN ARC DISTANCE OF 257.62 FEET; THENCE, CONTINUING ALONG SAID RIGHT-OF-WAY LINE AND TANGENT TO LAST SAID MENTIONED CURVE, SOUTH 89°47' 1 4" WEST A DISTANCE OF 1 36.4 1 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVED SOUTHEASTERLY AND HAVING A RADIUS OF 1 5.00 FEET; THENCE, WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC DISTANCE OF 23.56 FEET TO A POINT OF TANGENCY ALONG THE EASTERLY RIGHT-OF-WAY LINE OF 3RD STREET EAST, 60 FEET WIDE AS SHOWN ON SAID TRACT NO. 22808; THENCE, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, SOUTH 00°1 2'46" EAST A DISTANCE OF 23 1 .29 FEET; THENCE SOUTH 02°30' 1 1" EAST A DISTANCE OF 50.04 FEET TO A POINT WHICH LIES 32.00 FEET EASTERLY OF THE CENTERLINE OF 3RD STREET EAST AS SHOWN ON SAID TRACTS 22808, 22809 AND 061 166, SAID POINT ALSO BEING THE BEGINNING OF A NON-TANGENT CURVE, CONCAVED WESTERLY AND

HAVING A RADIUS OF 462.00 FEET, A RADIAL TO SAID BEGINNING POINT BEARS SOUTH 89°59'54" EAST; THENCE, SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 29°36'2 1" AN ARC DISTANCE OF 238.72 FEET; THENCE, TANGENT TO LAST SAID MENTIONED CURVE AND ALONG THE EASTERLY RIGHT-OF-WAY LINE OF 3RD STREET EAST, 64 FEET WIDE AS SHOWN ON SAID TRACT NO. 061 166, SOUTH 29°36'27" WEST A DISTANCE OF 72.7 1 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVED EASTERLY AND HAVING A RADIUS OF 398.00 FEET; THENCE, SOUTHWESTERLY ALONG SAID CURVE AND RIGHT-OF-WAY LINE, THROUGH A CENTRAL ANGLE OF 25°20'33" AN ARC DISTANCE OF 1 76.04 FEET, A RADIAL TO LAST MENTIONED POINT BEARS NORTH 85°44'06" WEST; THENCE SOUTH 39°03' 16" EAST A DISTANCE OF 36.92 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF AVENUE I, 50 FOOT WIDE HALF STREET AS SHOWN ON SAID TRACT NO. 061 166 AND 22809; THENCE, ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF AVENUE I, NORTH 89° 16'20" EAST A DISTANCE OF 885.45 FEET TO THE POINT OF BEGINNING.

CONTAINING 649,353 S.F. (14.91 AC.)

NOTE: THE ABOVE LEGAL DESCRIPTION IS BASED UPON RECORD DATA PER TRACT NO. 22808, M.B. 60 1, PG'S 74 TO 78; TRACT NO. 22809, M.B. 602, PG'S 5 1 TO 58; TRACT NO. 061 166, M.B. 1 309, PAGES 1 7 TO 1 9 (ROTATED); AND IS SUBJECT TO CHANGE BASED UPON A FIELD SURVEY.

ATTACHMENT NO. 2

GRANT DEED

RECORDING REQUESTED BY,
MAIL TAX STATEMENTS TO AND
WHEN RECORDED MAIL TO:

Attn: _____

(Space above is for Recorder's use)

Exempt from recording fee and documentary transfer tax
pursuant to Government Code Section 27283.

GRANT DEED

For valuable consideration, receipt of which is hereby acknowledged,

The **LANCASTER REDEVELOPMENT AGENCY**, a public body, corporate and politic (the "Agency"), hereby grants to the **COUNTY OF LOS ANGELES**, a body corporate and politic (the "County"), the real property hereinafter referred to as the "Agency Property" described in Exhibit A attached hereto and incorporated herein, subject to the existing easements, restrictions and covenants of record described there.

1. Nondiscrimination. The County covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall the County or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. The foregoing covenants shall run with the land.

The County shall refrain from restricting the rental, sale or lease of the Property on any of the bases listed above in this Section 1. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(a) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of

tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.”

(b) **In leases:** “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

“That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.”

(c) **In contracts:** “There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.”

(Signatures on next page)

AGENCY:

**LANCASTER REDEVELOPMENT AGENCY, a
public body, corporate and politic**

By: _____
Executive Director

ATTEST:

Agency Secretary

COUNTY:

**COUNTY OF LOS ANGELES, a body corporate
and politic**

Dated: _____, 2009

By: _____

Name: _____
Chairman, Board of Supervisors

APPROVED AS TO FORM:

**ROBERT E. KALUNIAN
ACTING COUNTY COUNSEL**

By: _____
Amy M. Caves
Senior Deputy County Counsel

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

PARCEL 'A'

THE FOLLOWING DESCRIBED PROPERTY SITUATED IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS;

LOTS 96 THRU 99 INCLUSIVE OF TRACT NO. 22808, PER MAP RECORDED IN BOOK 60 1 PAGES 74 TO 78 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND THAT PORTION OF 3RD STREET EAST LYING SOUTHERLY OF AVENUE H- 14, AND THAT CERTAIN ALLEY LYING EASTERLY OF 3RD STREET EAST, AND THAT PORTION OF AVENUE H- 1 4 LYING EASTERLY OF 3RD STREET EAST, ALL AS SHOWN ON SAID TRACT NO. 22808, ALONG WITH

LOT 6 OF TRACT NO. 061 166 PER MAP RECORDED IN BOOK 1 309 PAGES 17 TO 1 9, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ALONG WITH

LOTS 5 1 THRU 66 INCLUSIVE, AND A PORTION OF LOT 1 1 1, ALL AS SHOWN UPON TRACT NO. 22809 PER MAP RECORDED IN BOOK 602 PAGES 5 1 TO 58, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND THAT CERTAIN ALLEY LOCATED BETWEEN AVENUE H- 13 AND AVENUE H-14, FROM 3RD STREET EAST TO 4TH STREET EAST, AND THAT PORTION OF AVENUE H-14, FROM 3RD STREET EAST TO 4TH STREET EAST, ALL AS SHOWN ON SAID TRACT NO. 22809.

THE EXTERIOR BOUNDARY OF WHICH IS DESCRIBED AS FOLLOWS;

BEGINNING AT A POINT LYING ON THE NORTHERLY RIGHT-OF-WAY LINE OF AVENUE I, 50.00 FOOT WIDE HALF STREET AS SHOWN ON SAID TRACT NO. 22809, SAID POINT DISTANT THEREON 27.00 FEET WESTERLY FROM THE SOUTHEAST CORNER OF SAID LOT 1 1 1; THENCE, PARALLEL TO THE EASTERLY LINE OF SAID LOT 1 1 1, NORTH 00° 1 4'20" EAST A DISTANCE OF 620.77 FEET; THENCE, CONTINUING PARALLEL TO SAID EASTERLY LINE, NORTH 23° 1 5'40" WEST A DISTANCE OF 50.7 1 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF AVENUE H-14, 60 FEET WIDE AS SHOWN ON SAID TRACT NO. 22809; THENCE, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, SOUTH 66°44'20" WEST A DISTANCE OF 27.00 FEET TO A POINT ALONG THE SOUTHERLY PROLONGATION OF THE WESTERLY RIGHT-OF-WAY LINE OF 4TH STREET EAST, 54 FEET WIDE AS SHOWN ON SAID TRACT NO. 22809; THENCE, ALONG SAID PROLONGATED LINE AND SAID WESTERLY RIGHT-OF-WAY LINE, NORTH 23° 1 5'40" WEST A DISTANCE OF 266.00 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVED SOUTHERLY AND HAVING A RADIUS OF 1 5.00 FEET; THENCE, WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC DISTANCE OF 23.56 FEET TO A POINT OF TANGENCY ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF AVENUE H- 1 3, 60 FEET WIDE AS SHOWN ON SAID TRACT NO. 22809; THENCE, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, SOUTH 66°44'20" WEST A DISTANCE OF 2 1 3.0 1 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVED NORTHERLY AND HAVING A RADIUS OF 640.4 1 FEET; THENCE, ALONG SAID CURVE AND RIGHT-OF-WAY LINE, THROUGH A CENTRAL ANGLE OF 23°02'54" AN ARC DISTANCE OF 257.62 FEET; THENCE, CONTINUING ALONG SAID RIGHT-OF-WAY LINE AND TANGENT TO LAST SAID MENTIONED CURVE, SOUTH 89°47' 1 4" WEST A DISTANCE OF 1 36.4 1 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVED SOUTHEASTERLY AND HAVING A RADIUS OF 1 5.00 FEET; THENCE, WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC DISTANCE OF 23.56 FEET TO A POINT OF TANGENCY ALONG THE EASTERLY RIGHT-OF-WAY LINE OF 3RD STREET EAST, 60 FEET WIDE AS SHOWN ON SAID TRACT NO. 22808; THENCE, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, SOUTH 00°1 2'46" EAST A DISTANCE OF 23 1 .29 FEET; THENCE SOUTH 02°30' 1 1" EAST A DISTANCE OF

50.04 FEET TO A POINT WHICH LIES 32.00 FEET EASTERLY OF THE CENTERLINE OF 3RD STREET EAST AS SHOWN ON SAID TRACTS 22808, 22809 AND 061 166, SAID POINT ALSO BEING THE BEGINNING OF A NON-TANGENT CURVE, CONCAVED WESTERLY AND HAVING A RADIUS OF 462.00 FEET, A RADIAL TO SAID BEGINNING POINT BEARS SOUTH 89°59'54" EAST; THENCE, SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 29°36'2 1" AN ARC DISTANCE OF 238.72 FEET; THENCE, TANGENT TO LAST SAID MENTIONED CURVE AND ALONG THE EASTERLY RIGHT-OF-WAY LINE OF 3RD STREET EAST, 64 FEET WIDE AS SHOWN ON SAID TRACT NO. 061 166, SOUTH 29°36'27" WEST A DISTANCE OF 72.7 1 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVED EASTERLY AND HAVING A RADIUS OF 398.00 FEET; THENCE, SOUTHWESTERLY ALONG SAID CURVE AND RIGHT-OF-WAY LINE, THROUGH A CENTRAL ANGLE OF 25°20'33" AN ARC DISTANCE OF 1 76.04 FEET, A RADIAL TO LAST MENTIONED POINT BEARS NORTH 85°44'06" WEST; THENCE SOUTH 39°03' 16" EAST A DISTANCE OF 36.92 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF AVENUE I, 50 FOOT WIDE HALF STREET AS SHOWN ON SAID TRACT NO. 061 166 AND 22809; THENCE, ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF AVENUE I, NORTH 89° 16'20" EAST A DISTANCE OF 885.45 FEET TO THE POINT OF BEGINNING.

CONTAINING 649,353 S.F. (1 4.9 1 AC.)

NOTE: THE ABOVE LEGAL DESCRIPTION IS BASED UPON RECORD DATA PER TRACT NO. 22808, M.B. 60 1, PG'S 74 TO 78; TRACT NO. 22809, M.B. 602, PG'S 5 1 TO 58; TRACT NO. 061 166, M.B. 1 309, PAGES 1 7 TO 1 9 (ROTATED); AND IS SUBJECT TO CHANGE BASED UPON A FIELD SURVEY.

ATTACHMENT NO. 3

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the attached Grant Deed to the County of Los Angeles is hereby accepted under the authority delegated to the Los Angeles County Chief Executive Office pursuant to Section 2.08.168 of the County Code and consents to the recordation thereof by its duly authorized officer.

By: _____
William L. Dawson
Acting Director of Real Estate
Chief Executive Office
County of Los Angeles

Date: _____

PUBLIC AGENCY CERTIFICATE OF ACKNOWLEDGEMENT (CC 1190)

State of California)
) SS.
County of Los Angeles)

On the ____ day of _____ 20__, before me, **DEAN C. LOGAN**, Registrar-Recorder/County Clerk of the County of Los Angeles, personally appeared William L. Dawson, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal the day and year in this Certificate of Acknowledgement first written above.

DEAN C. LOGAN

Registrar-Recorder/County Clerk

By _____
Christopher M. Montana
Deputy

**OPTION AGREEMENT FOR TRANSFER OF REAL PROPERTY BY AND BETWEEN
LANCASTER REDEVELOPMENT AGENCY AND THE COUNTY OF LOS ANGELES
(PARCEL B)**

THIS OPTION AND SALE AGREEMENT (this "Agreement") is entered into as of December 15, 2009 the ("Date of this Agreement"), by and between the **LANCASTER REDEVELOPMENT AGENCY**, a public body, corporate and politic (the "Agency" or "Seller"), and **COUNTY OF LOS ANGELES**, a body corporate and politic (the "County" or "Buyer"), for acquisition by County of certain real property described below.

RECITALS

A. The Redevelopment Plan for the Redevelopment Project No. 7 (the "Redevelopment Plan") was approved and adopted by the City Council of the City of Lancaster on November 28, 1992, by Ordinance No. 624, as amended on December 5, 1994, by Ordinance No. 675, November 19, 1999 by Ordinance No. 773, and July 13, 2004 by Ordinance No. 834.

B. The Agency is authorized and empowered under the Community Redevelopment Law, to enter into agreements to assist in the redevelopment of real property within a redevelopment project area in conformity with a redevelopment plan adopted for such area; to receive consideration for the provision by the Agency of redevelopment assistance; to make and execute contracts and other instruments necessary or convenient to the exercise of its powers; and to incur indebtedness to finance or refinance redevelopment projects.

C. Agency owns certain real Property which consists of approximately 5.98 acres of land located in the City of Lancaster, County of Los Angeles, State of California as more particularly described in Exhibit A, attached hereto and incorporated herein by this reference (the "Property").

D. The Agency desires to enter into this Agreement because, pursuant to the Community Redevelopment Law and the Redevelopment Plan, such actions will help to eliminate blight in the Redevelopment Project, increase the employment opportunities within the Redevelopment Project, generate additional property taxes through the development of adjacent properties with which the community can assist in providing an environment for the social, economic and psychological growth and well-being of the citizens of the City of Lancaster (the "City").

E. The Agency finds this Agreement and the fulfillment thereof are in the vital and best interests of the City and the health, safety, and welfare of its residents and are in accord with the provisions of the Redevelopment Plan and all applicable federal, state and local law.

F. County desires to acquire the Property for County use which will compliment and service the County's proposed multi-ambulatory care center ("MACC"), which will be developed and located adjacent to the Property pursuant to the Option Agreement For Transfer of Real Property By and Between Lancaster Redevelopment Agency and the County of Los Angeles (PARCEL A) dated December 15, 2009 between the parties hereto (the "MACC Option Agreement"). The Agency is willing to grant the County an option to acquire the Property in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged and the covenants and agreements herein contained, the Agency and County hereby agree as follows:

1. Option Agreement.

1.1 Option. This Agreement shall constitute an option granting the County the exclusive right to acquire the Property, subject to the terms and conditions contained herein, for the period set forth herein (the "Option").

1.2 Option Term. This Option shall be exercisable by the County during a term commencing from the date of the execution of this Agreement, and terminating at 5:00 p.m. on October 31, 2011 (the "Option Term"). The Option Term shall be extended an additional three months if, for any reason, the Agency is unable to comply with Section 1.3, below, during the Option Term.

1.3 No Further Encumbrance of Property. The Agency hereby agrees that it shall not encumber the Property with any leasehold interest, tenancy or occupancy, and further agrees not to amend, extend, renew, or permit the holdover of any existing leasehold interests, tenancies or occupancies of the Property or to cause, or acquiesce to, any further liens or encumbrances or otherwise alter the condition of title, during the Option Term. As of the date of execution of this Agreement, the Agency shall ensure that the Property is unencumbered by any leasehold interest, tenancy or occupancy, and shall maintain the Property in that condition to and until the end of the Option Term or any extension thereof or the Closing, as set forth in Section 7.4, below, whichever occurs first.

1.4 Right of Entry. Agency hereby also grants to the County, its agents and employees the right to enter upon the Property during the Option Term for the purpose of conducting engineering surveys, soil tests, entitlement processes and any studies/reports to determine the Property's suitability for the intended or contemplated use by County and for any other reasonable purpose.

1.5 Exercise of Option. Upon County's election to exercise the exclusive Option to acquire said Property, the parties hereto, pursuant to Government Code and other applicable law, will effectuate the acquisition of the Property in accordance with the terms and conditions of this Agreement.

1.6 Contingencies. County's exercise of its Option is subject to the following conditions:

(a) County shall have approved the condition of title to the Property and Title Company shall have committed to deliver to County a title insurance policy as required by Section 4 hereof.

(b) The County shall not have terminated this Agreement.

1.7 Manner of Exercise of Option. Provided County is not in default hereunder and the conditions set forth in Section 1.6 of this Agreement have been satisfied, County may

exercise its Option to acquire the Property by delivering written notice (pursuant to Section 19) to Agency prior to the expiration of the Option Term.

1.8 Voluntary Termination. County may terminate this Agreement, by written notice to Agency, prior to the expiration of the Option Term if it determines, in its sole discretion, that the Property is not suitable for the County's intended or contemplated use. Upon such notice, the Option shall terminate and all rights of County in said Property shall then and there cease.

2. Purchase Price. Upon exercise of the Option, the total purchase price for the Property shall be the sum of Three Hundred Fifty-Eight Thousand, Eight Hundred Dollars (\$358,800) (the "Purchase Price"). The Purchase Price shall be payable upon satisfaction of the applicable Conditions Precedent, as defined in Section 8, through the deposit into an escrow account ("Escrow") of the entire Purchase Price, in cash, cashier's check, wire transfer of funds or any other form of immediately available funds.

3. Conveyance of Title. Agency agrees to convey by grant deed to County marketable fee simple title to the Property, free and clear of all recorded and unrecorded liens, encumbrances, assessments, easements, leases, and taxes except such matters which are reasonably acceptable to the County, following County's review of the preliminary title report as provided in Section 4 and satisfaction of the Conditions Precedent with respect to the Property.

4. Title Insurance Policy. Within thirty (30) days after the Date of this Agreement, County shall cause Fidelity National Title, or a title company mutually agreeable to both parties (the "Title Company"), to deliver to County a standard C.L.T.A. preliminary title report (the "Report") with respect to the title of the Property, together with legible copies of the exceptions ("Exceptions") set forth in the Report. County shall have 30 days from its receipt of the Report within which to give written notice to Agency of County's approval or disapproval of any such Exceptions. County's failure to give written disapproval of the Report within such time limit shall be deemed approval of the Report. If County notifies Agency of its disapproval of any Exceptions in the Report, Agency shall have the right, but not the obligation, to remove any disapproved Exceptions within 30 days after receiving written notice of County's disapproval or provide assurances to County that such Exception(s) will be removed on or before the close of Escrow. If Agency cannot or does not elect to remove any of the disapproved Exceptions within that period, County shall have 30 days after the expiration of such 30-day period to either give the Agency written notice that County elects to proceed with the purchase of the Property subject to the disapproved Exceptions or to give the Agency written notice that the County elects to terminate this Agreement. The County shall have the right to approve or disapprove any Exceptions reported by the Title Company after County has approved the condition of title for the Property. Agency shall not voluntarily create any new exceptions to title following the date of this Agreement and shall not encumber the Property with any leasehold interest, tenancy or occupancy. The Agency shall cause the conveyance of good and marketable fee absolute title to the Property to the County, as evidenced by a C.L.T.A. Standard Coverage (or extended A.L.T.A. Coverage, at the request of the County) Form Policy of Title Insurance issued by Fidelity Title Company in an amount equal to the Purchase Price, together with any endorsements reasonably requested by the County (the "Title Policy"), showing fee simple title to the Property vested in County, subject only to the exceptions set forth in Section 3 and the printed exceptions and stipulations in the policy. The Agency shall pay the portion of the premium for the Title Policy equal to the cost of the C.L.T.A. title policy in the amount of the Purchase Price, and the County shall pay for any additional cost of the Title Policy and all endorsements requested by County.

5. Escrow. Agency and County have opened or shall open within five (5) days of the exercise of the Option pursuant to Section 1.5 hereof an escrow (the "Escrow") in accordance with this Agreement with the escrow agent (the "Escrow Agent"). This Agreement, together with the escrow instructions prepared by Escrow Agent and executed by Agency and County, constitutes the joint escrow instructions of Agency and County, and Escrow Agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts necessary to close this Escrow with respect to the Property within 30 days after the satisfaction of the Conditions Precedent with respect to the Property (the "Closing Date"); provided, the Closing Date shall occur on or prior to December 31, 2011 (the "Outside Date").

5.1 Grant Deed. Not less than four business days prior to the scheduled Close of Escrow, the Agency shall execute and deliver a Grant Deed (the "Grant Deed") to Escrow Agent, in the form which is attached hereto as Attachment No. 2 and incorporated herein by this reference, and the County shall deposit an executed Certificate of Acceptance (the "Certificate of Acceptance") with the Escrow Agent, in the form which is attached hereto as Attachment No. 3 and incorporated herein by this reference. County agrees to deposit the Purchase Price upon demand of Escrow Agent. Agency and County agree to deposit with Escrow Agent any additional instruments as may be reasonably necessary to complete this transaction.

5.2 Insurance. Insurance policies for fire or casualty are not to be transferred, and Agency will cancel its own policies, if any, after the Closing Date.

5.3 Escrow Account. All funds received by the Escrow Agent shall be deposited with other escrow funds in a general escrow account(s) and may be transferred to any other escrow trust account in any state or national bank doing business in the State of California. All disbursements shall be made by check from such account.

6. Tax Adjustment Procedure. Escrow Agent shall pay and charge Agency for any unpaid delinquent property taxes and/or penalties and interest thereon, and for any delinquent assessments or bonds against the Property. Escrow shall prorate Agency's taxes (if any) for the current fiscal year.

7. Escrow Agent Authorization. Escrow Agent is authorized to, and shall:

7.1 Agency. Pay and charge Agency for one half (1/2) of all Escrow fees, charges, and costs payable under Section 5 of this Agreement, as well as the Agency's portion of the costs and charges payable under Sections 3 and/or 4 of this Agreement.

7.2 County. Pay and charge County for one half (1/2) of all Escrow fees, charges, and costs payable under Section 5 of this Agreement, as well as the County's portion of the costs and charges payable under Sections 3 and/or 4 of this Agreement.

7.3 Disbursement. Disburse funds, record the Grant Deed and Certificate of Acceptance, and deliver the title policy and the Non-Foreign Transfer or Declaration to County, when conditions of the Escrow have been fulfilled by Agency and County.

7.4 Close of Escrow. The term "close of Escrow," if and where written in this Agreement, shall mean the date the Grant Deed and other necessary instruments of conveyance with respect to the Property are recorded in the office of the Los Angeles County Recorder. Recordation

of instruments delivered through the Escrow is authorized, if necessary or proper in the issuance of the policy of title insurance pursuant to Section 4 hereof.

7.5 Time Limits. All time limits within which any matter specified is to be performed may be extended by mutual written agreement of the parties. Any amendment of, or supplement to, any Escrow instructions must be in writing.

7.6 Time of the Essence. TIME IS OF THE ESSENCE IN THESE INSTRUCTIONS AND ESCROW IS TO CLOSE ON OR BEFORE THE CLOSING DATE. If (except for deposit of money by County, which shall be made by County upon demand of Escrow Agent before close of Escrow) this Escrow is not in condition to close on or before the Closing Date, any party who then shall have fully complied, in all material respects, with its instructions, may, in writing, demand the return of its money or property; but if neither party has complied in all material respects with its instructions, no demand for return shall be recognized until five (5) days after Escrow Agent shall have mailed copies of demand to all other parties at the respective addresses shown in these Escrow instructions, and if any objections are raised within such five (5) day period, Escrow Agent is authorized to hold all papers and documents until instructed by a court of competent jurisdiction or mutual instructions from the parties. If no demands are made, Escrow Agent shall proceed with closing of this Escrow on or before the Closing Date.

7.7 Escrow Agent Responsibility. The responsibility of the Escrow Agent under this Agreement is expressly limited to Sections 1, 2, 3, 4, 5, 6, 7, 8, 11 and 12 of this Agreement and to its liability under any policy of title insurance issued in regard to the Escrow.

7.8 Escrow Fees, Charges and Costs. Unless otherwise provided in this Agreement, the parties agree to divide equally and to pay equal portions of all usual fees, charges, and costs which are attributable to the Escrow and all charges and costs incurred under Section 5 of this Agreement, as well as Sections 3 and/or 4 of this Agreement.

7.9 FIRPTA. If the provisions of the Foreign Investment in Real Property Transfer Act ("FIRPTA") or similar state act apply to the transaction memorialized in this Agreement, and unless Seller is not a "foreign person" or an exemption applies, the Escrow Agent shall deduct and withhold from Seller's proceeds 10% of the gross sales price and shall otherwise comply with all applicable provisions of FIRPTA and any similar state act. Seller and County agree to execute and deliver as directed by Escrow Agent any instrument, affidavit, and statement, and to perform any act reasonably necessary to comply with the provisions of FIRPTA and any similar state act and regulation promulgated thereunder.

7.10 Tax Requirements. Escrow Agent shall prepare and file with all appropriate governmental or taxing authorities a uniform settlement statement, closing statement, tax withholding forms including an IRS 1099-S form, and be responsible for withholding taxes, if any such forms are provided for or required by law.

8. Conditions Precedent to Close of Escrow.

8.1 County's Conditions Precedent to Closing for the Property. The obligation of the County to complete the purchase of the Property is subject to the satisfaction of the following conditions (collectively, the "County's Conditions"):

(a) Agency shall deliver through Escrow an executed and recordable Grant Deed sufficient to convey fee title to the Property to the County as set forth in Section 5.1.

(b) Agency shall deliver through Escrow such documents as are necessary to comply with Agency's obligations under this Agreement.

(c) Agency shall not be in default of any of its obligations under the terms of this Agreement, and all representations of Seller herein shall be true and correct.

(d) Agency shall have deposited into Escrow its share of the costs described herein.

(e) The Board of Supervisors adopting a Notice of Intention to Purchase the Property; and

(f) The Board of Supervisors approving the purchase of the Property.

(g) County shall have completed its environmental reviews of the project in accordance with the California Environmental Quality Act and no challenges thereto shall have been filed within the applicable statute of limitations.

(h) The environmental and soils condition of the Property shall be reasonably satisfactory to the County and in the condition required by this Agreement.

8.2 Agency's Conditions Precedent to Closing for the Property. The obligation of Agency to complete the sale of the Property is subject to the satisfaction of the following conditions (collectively, the "Agency's Conditions"):

(a) The County shall not be in default of any of its obligations under the terms of this Agreement, and all representations of County herein shall be true and correct.

(b) The County shall have deposited with Escrow Agent immediately available funds in an amount equal to the Purchase Price and County's share of costs described herein.

(c) The County shall have deposited with Escrow Agent an executed Certificate of Acceptance as set forth in Section 5.1.

(d) The Agency shall not have terminated this Agreement.

9. Hazardous Substances. Agency represents and warrants to County that it has no knowledge of any substance, chemical or waste on or affecting the Property that is identified as hazardous, toxic or dangerous under any applicable federal, state or local law or regulation (collectively, "Hazardous Substance"). If, at any time prior to the Close of Escrow, a Hazardous Substance is discovered on the Property, Agency shall immediately remove, clean-up and remediate the Hazardous Substance or, at County's option, terminate this Agreement, as set forth in Section 20. Agency further agrees that it will not introduce or use any Hazardous Substance on the Property in violation of any applicable law, until such time as the Property is conveyed to County.

10. Closing Statement. Agency instructs Escrow Agent to release a copy of Agency's closing statement with respect to each Closing to County. County instructs Escrow Agent to release a copy of County's closing statement with respect to each Closing to Agency.

11. Loss or Damage to Property. Loss or damage to any portion of the Property by fire or other casualty, occurring prior to the recordation of the Grant Deed, shall be at the risk of Agency. In the event that loss or damage to any portion of the Property, by fire or other casualty, occurs prior to the recordation of the Grant Deed, County may elect (a) to require that the Agency pay to County the proceeds of any insurance policy or policies which may become payable to Agency by reason thereof, (b) to permit such proceeds to be used for the restoration of the damage done, (c) to reduce the Purchase Price by an amount equal to the diminution in value of the respective Property by reason of such loss or damage or the amount of insurance payable to Agency, whichever is greater or (d) to terminate this Agreement.

12. Nondiscrimination Covenants. The County covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall the County or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. The foregoing covenants shall run with the land.

The County shall refrain from restricting the rental, sale or lease of the Property on any of the bases listed above in this Section 13. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(a) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

(b) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in

the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.”

(c) **In contracts:** “There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.”

13. Warranties, Representatives, Covenants of Seller. Agency hereby warrants, represents, and/or covenants to County that:

13.1 Pending Claims. To the best of Agency’s knowledge, there are no actions, suits, claims, legal proceedings, or any other proceedings affecting the Property or any portion thereof, at law, or in equity before any court or governmental agency, domestic or foreign.

13.2 Agency’s Title. Until the close of Escrow, Agency shall not do anything which would impair Agency’s title to the Property.

13.3 Seller’s Disclosure of Property Condition. In entering into this agreement, Agency warrants and represents that it has made full disclosure to County of all known conditions and aspects of the Property which materially affects the value or use thereof in an adverse manner. This statement is not a warranty of any kind by Seller as to the condition of the Property and is not a substitute for any inspections or testing the Buyer may wish to obtain.

13.4 Bankruptcy. Neither Agency nor any related entity is the subject of a bankruptcy proceeding, and permission of a bankruptcy court is not necessary for Agency to be able to transfer the Property as provided herein.

14. Buyer Obligations With Respect to the Property. (a) The County agrees to construct and operate on the Property such facilities as it determines in a manner consistent with City ordinances and regulations applicable to similar types of developments. The County agrees to cooperate with the City in connection with the design, construction and operation of the Property so as to avoid to the extent reasonably possible, conflicts with uses in surrounding neighborhoods.

(b) To the extent that the County does not use the entire Property for County purposes, the unused portions shall be reconveyed to the Agency for a pro-rata portion of the Purchase Price.

(c) The County agrees that in the event the County determines to sell all or any part of the Property to a third party, the Agency shall have the right of first refusal to purchase

the improved Property for an amount equal to the then fair market value of the improved Property, so long as the Agency acquires title to the improved Property within 12 months of the County's offer to sell.

15. Indemnification.

15.1 County and County's Special Districts shall defend, indemnify, and hold Agency free and harmless from and against any and all liabilities, damages, claims, costs and expenses (including without limitation, attorneys' fees, legal expenses and consultants' fees) arising from the negligence or willful misconduct of the County or its officers, employees or agents relating to the performance of its obligations under the terms of this Agreement.

15.2 The Agency shall defend, indemnify, and hold County and County's Special Districts, elected and appointed officers, agents and employees free and harmless from and against any and all liabilities, damages, claims, costs and expenses (including without limitation, attorneys' fees, legal expenses and consultants' fees) arising from the negligence or willful misconduct of the Agency or its officers, employees or agents relating to the performance of its obligations under the terms of this Agreement.

15.3 The indemnity provided each party by this section shall survive the Closing.

16. Full and Complete Settlement for Fee Interest. The total compensation to be paid by County to Agency is in consideration for all of Agency's interests in the Property and any rights or obligations which exist or may arise out of the acquisition of the Property for public purposes, including without limitation, Agency's fee interests in the land and any improvements and fixtures and equipment located thereon, improvements pertaining to the realty (if any), costs, interest, attorney's fees, and any claim whatsoever of Agency which might arise out of or relate in any respect to the acquisition of the Property by the County.

Upon the Close of Escrow, each party mutually and fully releases and discharges the other party from all and any manner of rights, demands, liabilities, obligations, claims, or cause of actions, in law or equity, of whatever kind or nature, whether known or unknown, whether now existing or hereinafter arising, which arise from or relate in any manner to the sale of the Property, except as otherwise expressly set forth herein, including in Section 10 regarding the existence of Hazardous Substances on the Property.

It is hereby intended that the mutual release contained above relates to both known and unknown claims that the parties may have, or claim to have, against the other with respect to the subject matter contained herein or the events relating thereto. By releasing and forever discharging claims both known and unknown which are related to or which arise under or in connection with, the items set out above, the parties expressly waive any rights under California Civil Code Section 1542, which provides:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR"

17. Broker's Commission. Agency and County each warrants and represents that it has not engaged the services of any agent, finder or broker in connection with the transaction which is the subject of this Agreement, and that it is not liable for any real estate commissions, broker's fees or finder's fees which may accrue by means of the sale of the Property. Agency and Seller agree to and do hereby indemnify and hold the other harmless from and against any and all costs, liabilities, losses, damages, claims, causes of action or proceedings which may result from any broker, agent or finder, licensed or otherwise, which it has employed in connection with the transaction covered by this Agreement.

18. Waiver, Consent and Remedies. Each provision of this Agreement to be performed by Agency and County shall be deemed both a covenant and a condition and shall be a material consideration for Agency's and County's performance hereunder, as appropriate, and any breach thereof by County or Agency shall be deemed a material default hereunder. Either party may specifically and expressly waive in writing any portion of this Agreement or any breach thereof, but no such waiver shall constitute a further or continuing waiver of a preceding or succeeding breach of the same or any other provision. A waiving party may at any time thereafter require further compliance by the other party with any breach or provision so waived. The consent by one party to any act by the other for which such consent was required shall not be deemed to imply consent or waiver of the necessity of obtaining such consent for the same or any similar acts in the future. No waiver or consent shall be implied from silence or any failure of a party to act, except as otherwise specified in this Agreement. All rights, remedies, undertakings, obligations, options, covenants, conditions and agreements contained in this Agreement shall be cumulative and no one of them shall be exclusive of any other. Except as otherwise specified herein, either party hereto may pursue any one or more of its rights, options or remedies hereunder or may seek damages or specific performance in the event of the other party's breach hereunder, or may pursue any other remedy at law or equity, whether or not stated in this Agreement.

19. Notices. Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered in person to an officer or duly authorized representative of the other party, or deposited in the United States mail, duly certified or registered (return receipt requested), postage prepaid, or delivered through another reasonably acceptable method, and addressed to the party for whom intended, as follows:

If to Agency: Lancaster Redevelopment Agency
44933 North Fern Avenue
Lancaster, California 93534
Attention: Executive Director

With a copy to: Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attention: David R. McEwen, Esq.

If to County: County of Los Angeles, Chief Executive Office
Real Estate Division, Property Management Section
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Chris Montana

With a copy to: County of Los Angeles, Chief Executive Office
500 W. Temple Street, Room 754
Los Angeles, California 90012
Attention: Jan Takata

County of Los Angeles, Office of County Counsel
Room 652 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012
Attention: Amy Caves, Esq.

Any party may from time to time, by written notice to the other, designate a different address which shall be substituted for that specified above. If any notice or other document is sent by mail as aforesaid, the same shall be deemed fully delivered and received forty-eight (48) hours after mailing as provided above.

20. Default. Failure or delay by either party to perform any covenant, condition or provision of this Agreement within the time provided herein constitutes default under this Agreement. The injured party shall give written notice of default to the party in default, specifying the default complained of. The defaulting party shall immediately commence to cure such default and shall diligently complete such cure within thirty (30) days from the date of the notice or such longer period if the nature of the default is such that more than thirty (30) days is required to cure such default. The injured party shall have the right to terminate this Agreement by written notice to the other party in the event of a default which is not cured within the time set forth herein.

21. Interpretation. In this Agreement (unless the context requires otherwise), the masculine, feminine and neuter genders and the singular and the plural shall be deemed to include one another, as appropriate. Unless the context of this Agreement clearly requires otherwise, the words "includes" and "including" are not limiting.

22. Entire Agreement. This Agreement and its attachments constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understanding of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

23. Captions. The captions used herein are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions hereof.

24. Governing Law. This Agreement and the attachments included hereto have been negotiated and executed in the State of California and the validity and interpretation of this Agreement, including the performance of the Parties hereunder, shall be governed by and construed under the internal laws of the State of California.

25. Invalidity of Provision. If any provision of this Agreement as applied to any party or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, the application of any such provision under

circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.

26. Amendments. No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing by Agency and County.

27. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

28. Time of Essence. Time is of the essence of each provision of this Agreement

29. Binding Upon Successors. The terms and conditions, covenants, and agreements set forth herein shall apply to and bind the heirs, executors, administrators, assigns and successors of the parties hereof. Whenever the term "Agency" or "County" is used in this Agreement, such term shall include any other permitted successors and assigns as herein provided.

30. Assignment. This Agreement may not be assigned without the prior written consent of the other party hereto, which consent shall not unreasonably be withheld.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year set forth herein above.

SELLER:

LANCASTER REDEVELOPMENT AGENCY, a public body, corporate and politic

By: [Signature]
Executive Director

EB

ATTEST:

[Signature]
Agency Secretary

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

APPROVED AS TO FORM:

#47

DEC 15 2009

[Signature]
Stradling Yocca Carlson & Rauth,
Agency Special Counsel

[Signature]
SACHI A. HAMAI
EXECUTIVE OFFICER

BUYER:

COUNTY OF LOS ANGELES, a body corporate and politic

By: [Signature]
Name: GLORIA MOLINA

CHAIR, BOARD OF SUPERVISORS

Dated: 12/15, 2009

ATTEST: SACHI A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

By: [Signature], Deputy

APPROVED AS TO FORM:

ROBERT E. KALUNIAN
ACTING COUNTY COUNSEL

By: [Signature]
Amy M. Caves
Senior Deputy County Counsel



I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: [Signature]
Deputy

77212

ATTACHMENT NO. 1

LEGAL DESCRIPTION

THE FOLLOWING DESCRIBED PROPERTY SITUATED IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS;

LOTS 88 TO 110 AND THE EASTERLY 27.00 FEET OF LOT 111, AS SHOWN UPON TRACT NO. 22809 PER MAP RECORDED IN BOOK 602 PAGES 51 TO 58 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ALONG WITH THAT PORTION OF RAYSACK AVENUE LYING SOUTHERLY OF AVENUE H-14 AS SHOWN ON SAID TRACT NO. 22809.

A METES AND BOUNDS FOR SAID PORTION DESCRIBED AS FOLLOWS;

COMMENCING AT THE SOUTH QUARTER CORNER OF SECTION 11, TOWNSHIP 7 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN, ALSO BEING THE CENTERLINE INTERSECTION OF AVENUE I AND 5TH STREET EAST; THENCE, ALONG THE SOUTHERLY LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 11, ALSO BEING THE CENTERLINE OF AVENUE I, SOUTH 89°16'20" WEST A DISTANCE OF 393.17 FEET; THENCE, AT RIGHT ANGLES TO SAID CENTERLINE OF AVENUE I, NORTH 00°43'40" WEST A DISTANCE OF 50.00 FEET TO A POINT OF THE NORTHERLY RIGHT-A-WAY LINE OF AVENUE I, SAID POINT DISTANT THEREON 27.00 FEET WESTERLY FROM THE SOUTHEAST CORNER OF SAID LOT 111, SAID POINT ALSO BEING THE POINT OF BEGINNING; THENCE, PARALLEL TO THE EASTERLY LINE OF SAID LOT 111, NORTH 00°14'20" EAST A DISTANCE OF 620.77 FEET; THENCE NORTH 23°15'40" WEST A DISTANCE OF 50.71 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF AVENUE H14, 60 FEET WIDE AS SHOWN ON SAID TRACT NO. 22809; THENCE, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE AND ITS EASTERLY PROLONGATION, NORTH 66°44'20" EAST A DISTANCE OF 185.87 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVED SOUTHERLY AND HAVING A RADIUS OF 267.02 FEET; THENCE, NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 23°02'54" AN ARC DISTANCE OF 107.41 FEET; THENCE, CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE AND TANGENT TO LAST SAID MENTIONED CURVE, NORTH 89°47'14" EAST A DISTANCE OF 74.17 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVED SOUTHWESTERLY AND HAVING A RADIUS OF 25.00 FEET; THENCE, SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°27'06" AN ARC DISTANCE OF 39.47 FEET TO A POINT OF TANGENCY ALONG THE WESTERLY RIGHT-OF-WAY LINE OF 5TH STREET EAST, 40 FOOT WIDE HALF STREET AS SHOWN ON SAID TRACT NO. 22809; THENCE, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, SOUTH 00°14'20" WEST A DISTANCE OF 708.56 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVED NORTHWESTERLY AND HAVING A RADIUS OF 25.00 FEET; THENCE, SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89°02'00" AN ARC DISTANCE OF 38.85 FEET TO A POINT OF TANGENCY ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF AVENUE I, 50 FOOT WIDE HALF STREET AS SHOWN ON SAID TRACT NO 22809; THENCE, ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF AVENUE I, SOUTH 89°16'20" WEST A DISTANCE OF 329.43 FEET TO THE POINT OF BEGINNING.

CONTAINING: 260,531 Square Feet (5.98 Acres.)

ATTACHMENT NO. 2

GRANT DEED

RECORDING REQUESTED BY,
MAIL TAX STATEMENTS TO AND
WHEN RECORDED MAIL TO:

Attn: _____

(Space above is for Recorder's use)

Exempt from recording fee and documentary transfer tax
pursuant to Government Code Section 27283.

GRANT DEED

For valuable consideration, receipt of which is hereby acknowledged,

The **LANCASTER REDEVELOPMENT AGENCY**, a public body, corporate and politic (the "Agency"), hereby grants to the **COUNTY OF LOS ANGELES**, a body corporate and politic (the "County"), the real property hereinafter referred to as the "Agency Property" described in Exhibit A attached hereto and incorporated herein, subject to the existing easements, restrictions and covenants of record described there.

1. Nondiscrimination. The County covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall the County or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. The foregoing covenants shall run with the land.

The County shall refrain from restricting the rental, sale or lease of the Property on any of the bases listed above in this Section 1. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(a) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of

tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

(b) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

(c) In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

(Signatures on next page)

AGENCY:

LANCASTER REDEVELOPMENT AGENCY, a
public body, corporate and politic

By: _____
Executive Director

ATTEST:

Agency Secretary

COUNTY:

COUNTY OF LOS ANGELES, a body corporate
and politic

Dated: _____, 2009

By: _____

Name: _____
Chairman, Board of Supervisors

APPROVED AS TO FORM:

ROBERT E. KALUNIAN
ACTING COUNTY COUNSEL

By: _____
Amy M. Caves
Senior Deputy County Counsel

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

THE FOLLOWING DESCRIBED PROPERTY SITUATED IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS;

LOTS 88 TO 110 AND THE EASTERLY 27.00 FEET OF LOT 111, AS SHOWN UPON TRACT NO. 22809 PER MAP RECORDED IN BOOK 602 PAGES 51 TO 58 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ALONG WITH THAT PORTION OF RAYSACK AVENUE LYING SOUTHERLY OF AVENUE H-14 AS SHOWN ON SAID TRACT NO. 22809.

A METES AND BOUNDS FOR SAID PORTION DESCRIBED AS FOLLOWS;

COMMENCING AT THE SOUTH QUARTER CORNER OF SECTION 11, TOWNSHIP 7 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN, ALSO BEING THE CENTERLINE INTERSECTION OF AVENUE I AND 5TH STREET EAST; THENCE, ALONG THE SOUTHERLY LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 11, ALSO BEING THE CENTERLINE OF AVENUE I, SOUTH 89°16'20" WEST A DISTANCE OF 393.17 FEET; THENCE, AT RIGHT ANGLES TO SAID CENTERLINE OF AVENUE I, NORTH 00°43'40" WEST A DISTANCE OF 50.00 FEET TO A POINT OF THE NORTHERLY RIGHT-A-WAY LINE OF AVENUE I, SAID POINT DISTANT THEREON 27.00 FEET WESTERLY FROM THE SOUTHEAST CORNER OF SAID LOT 111, SAID POINT ALSO BEING THE POINT OF BEGINNING; THENCE, PARALLEL TO THE EASTERLY LINE OF SAID LOT 111, NORTH 00°14'20" EAST A DISTANCE OF 620.77 FEET; THENCE NORTH 23°15'40" WEST A DISTANCE OF 50.71 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF AVENUE H14, 60 FEET WIDE AS SHOWN ON SAID TRACT NO. 22809; THENCE, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE AND ITS EASTERLY PROLONGATION, NORTH 66°44'20" EAST A DISTANCE OF 185.87 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVED SOUTHERLY AND HAVING A RADIUS OF 267.02 FEET; THENCE, NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 23°02'54" AN ARC DISTANCE OF 107.41 FEET; THENCE, CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE AND TANGENT TO LAST SAID MENTIONED CURVE, NORTH 89°47'14" EAST A DISTANCE OF 74.17 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVED SOUTHWESTERLY AND HAVING A RADIUS OF 25.00 FEET; THENCE, SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°27'06" AN ARC DISTANCE OF 39.47 FEET TO A POINT OF TANGENCY ALONG THE WESTERLY RIGHT-OF-WAY LINE OF 5TH STREET EAST, 40 FOOT WIDE HALF STREET AS SHOWN ON SAID TRACT NO. 22809; THENCE, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, SOUTH 00°14'20" WEST A DISTANCE OF 708.56 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVED NORTHWESTERLY AND HAVING A RADIUS OF 25.00 FEET; THENCE, SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89°02'00" AN ARC DISTANCE OF 38.85 FEET TO A POINT OF TANGENCY ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF AVENUE I, 50 FOOT WIDE HALF STREET AS SHOWN ON SAID TRACT NO. 22809; THENCE, ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF AVENUE I, SOUTH 89°16'20" WEST A DISTANCE OF 329.43 FEET TO THE POINT OF BEGINNING.

CONTAINING: 260,531 Square Feet (5.98 Acres.)

HOA.646593.1

EXHIBIT A TO
ATTACHMENT NO. 2

ATTACHMENT NO. 3

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the attached Grant Deed to the County of Los Angeles is hereby accepted under the authority delegated to the Los Angeles County Chief Executive Office pursuant to Section 2.08.168 of the County Code and consents to the recordation thereof by its duly authorized officer.

By: _____
William L. Dawson
Acting Director of Real Estate
Chief Executive Office
County of Los Angeles

Date: _____

PUBLIC AGENCY CERTIFICATE OF ACKNOWLEDGEMENT (CC 1190)

State of California)
) SS.
County of Los Angeles)

On the ____ day of _____ 20__, before me, **DEAN C. LOGAN**, Registrar-Recorder/County Clerk of the County of Los Angeles, personally appeared William L. Dawson, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal the day and year in this Certificate of Acknowledgement first written above.

DEAN C. LOGAN
Registrar-Recorder/County Clerk

By _____
Christopher M. Montana
Deputy